THE MUNICIPALITY OF

KAMIESBERG

FINANCIAL STATEMENTS

30TH JUNE 2006

GENERAL INFORMATION

MEMBERS OF THE COUNCIL:

M.M.Steenkamp - *Mayor*
M.R.Klaase
W.D. Fortuin
M.S.Joseph
M.Hanekom
S.Engelbrecht
A.H.Cloete

GRADING OF LOCAL AUTHORITY:

2

AUDITOR:

The Auditor-General: Northern Cape

BANKERS:

First National Bank Ltd - Garies

REGISTERED OFFICE:

22 Main Road
Garies
8220

APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements set out on pages 2 to 23 were approved by the Municipal Manager on G. M 9 February 2007 and presented to and approved by Council on.....

MUNICIPAL MANAGER

FINANCIAL MANAGER

TREASURER'S REPORT

1. OPERATING RESULTS

Details of the operating result per department, classification and object of expenditure are included in appendices D and E. The applicable statistics are shown in appendix F. The overall operating results for the year ended 30 June 2006 are as follows:

INCOME	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Opening surplus	152	1 303 958			
Operating income for the year	10 637 816	11 258 435	5.83	11 524 512	2.31
Closing deficit					
	10 637 968	12 562 393		11 524 512	
EXPENDITURE					
Opening deficit					
Operating expenditure for the year	11 365 010	11 124 538	(2.12)	11 388 994	(2.32)
Sundry transfers		1 437 702			
Closing surplus	(1330 354)	153			
	10 034 656	12 562 393		11 388 994	

1.1 Rate and General Services

	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Income	7 397 257	7 590 590	(2.55)	5 268 072	40.42
Expenditure	6 725 969	7 617 006	11.70	7 350 407	8.50
Surplus/(deficit)	671 288	(26 416)	2,641.22	(2082 335)	132.24
Surplus/(deficit) as % of total income	-	(0.35)		(39.53)	

1.2 Housing Services

	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Income			-	30 091	(100.00)
Expenditure		472	100.00	61 397	100.00
Surplus/(deficit)		(472)	95.20	(31 306)	(100.00)
Surplus/(deficit) as % of total income		0%		(104.04)	

1.3 Trading Services

The following is a summary of the operating results of the Municipality's Trading Services.

Electricity Services

	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Income	1 902 516	1 327 717	43.29	756 582	151.46
Expenditure	2 312 231	1 802 877	(28.25)	721 380	(220.53)
Surplus/(deficit)	(409 715)	(475 160)	(13.77)	35 202	(1,263.90)
Surplus/(deficit) as % of total income	0.00	(35.79)		4.65	

Water Services

	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Income	1 338 043	2 340 128	(42.82)	226 700	490.23
Expenditure	2 326 810	1 704 183	(36.54)	166 601	(1,296.64)
Surplus/(deficit)	(988 767)	635 945	(255.48)	60 099	(1,745.23)
Surplus/(deficit) as % of total income	0.00	27.18		26.51	

Caravan park

	Actual 2005/06 R	Actual 2004/05 R	Variance 2005/06 %	Budget 2005/06 R	Variance Actual/ budget %
Income	28 559	15 311	86.53	25 000	14.24
Expenditure	4 536	3 782	(19.94)	64 374	92.95
Surplus/(deficit)	24 023	11 529	108.37	(39 374)	485.00
Surplus/(deficit) as % of total income	84.12	75.30		(157.50)	

2. CAPITAL EXPENDITURE AND FINANCING

The expenditure consists of the following:

	2006 ACTUAL	2006 BUDGET	2005 ACTUAL
	R	R	R
Land and Buildings			
Public Works			
Town clerk & treasury			
Graveyards and cemeteries			
Computers and Printers			
Sport Facilities			
Sanitation and Sewerage			
Housing Service			
Electricity Service			
Water Service			

Resources used to finance the fixed assets were as follows:

	2006 ACTUAL	2006 BUDGET	2005 ACTUAL
	R	R	R
External Loans	-	-	-
General	-	-	-
Contribution from operating income	-	-	-
Grants and subsidies	-	-	-
Provision and reserves	-	-	-
Public contribution	-	-	-
Suspense Account			
	-	-	-

3. EXTERNAL LOANS, INVESTMENTS AND CASH

External loans outstanding on 30 June 2006 amount to R 1 532 451 (R 1 599674 in 2005) as set out in appendix B. During the year loans totaling R 67 223 were repaid.

Investments and cash on 30 June 2006 amount to R164 288 (R 150 875 in 2005)

More information regarding loans and investments are disclosed in notes 4 and 7 and appendix B to the financial statements.

4. FUNDS, RESERVES AND PROVISIONS

The movement regarding statutory funds, reserves and trust funds are given in appendix A. No contributions was made to any fund, reserve or provision during this financial year.

5. APPRECIATION

I would like to thank the Mayor, other Councilors, the Municipal Manager and Departmental Heads for the support they have given me and my personnel during the year.

A special word of thanks to the personnel of the Treasury Department for their support in preparing the financial accounts of our municipality.

Financial Manager

ACCOUNTING POLICIES

1. Basis of presentation

1.1 These financial statements have been prepared so as to conform to the stan down by the Institute of Municipal Treasurers and Accountants in its Code for Local Government Accounting (1997) and the Published Annual Financial Statements for Local Authorities (2nd edition 1996, as amended).

1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in Accounting Policy, note 3.
from previous years due to the fact that it is the first time that the statements are done according to the new method and policy as set out by the IMFO
The statements of the previous year have been proceed in such a way that it is comparitable with the new format.

1.3 The financial statements are prepared on the accrual basis:
- Income is accrued when collectable and measurable. Certain direct income is accrued when received, such as certain licenses.
- Expenditure is accrued in the year it is incurred.

2. Consolidation

The balance sheet includes Rate and General Services, Housing Service, Trading Services and the different funds, reserves and provisions. All inter-departmental charges are set-off against each other, with the exception of assessment rates, refuse removal, electricity and water, which are treated as income and expenditure in the respective departments.

3. Fixed assets

3.1 Fixed assets are stated:
- at historical cost; or
- at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation,

while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the Treasurer.

3.2 Depreciation:
The balance shown against the heading "Loans Redeemed and other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this "provision" assets are written down over their estimated useful life. Apart from advances from the various council funds, assets may also be acquired through:
- Appropriations from operating income, where the full cost of the assets forms an immediate and direct charge against operating income, and therefore it is unnecessary to make any further provision for depreciation.
- Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and other Capital Receipts" account.

3.3 All net proceeds from the sale of fixed assets are credited to the Capital Development fund

3.4 Fixed assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans and advances.

4. Inventory

Inventory (stores and materials) is valued at the lower of cost, determined on the weighted average basis, and net realisable value.

5. Funds and reserves

5.1 *Revolving Fund*

Ordinance 20 of 1974, section 75(1), as amended determines that a local authority must make a minimum contribution of 7,5% in terms of the rates income of the previous financial year towards the revolving fund.

5.5.2 *Loss of Rental*

The contribution towards this fund is determined according to the amount of rental levied during the financial year according to the formula 1/12 x (maintenance contributions + insurance + administration fees). This contribution is made compulsory by the Housing Act.

5.5.3 *Community Facilities*

The contribution towards this fund is determined according to the amount of rental levied during the financial year according to the formula 1% x (maintenance contributions + loss of rental contribution). This contribution is made compulsory by the Housing Act.

6. Provisions

Provisions are created for liabilities or contingencies which are known or not known at the date of the balance sheet but for which the amounts involved cannot be determined with substantial accuracy. The following funds are kept:

6.1 *Maintenance: Electricity*
6.2 *Maintenance: Water*
6.3 *Personnel Leave Fund*

7. Retirement benefits

Kamiesberg Municipality and its employees contribute to various funds, which provide retirement benefits to such employees.
The retirement benefit plan is subjectito the Pension Fund Act, with pensions being calculated on the final pensionable remuneration paid.

8. Surpluses and deficits

Any surplus or deficits arising from the electricity and water services are transferred to Rate and General Services to alleviate the tax burden of rate payers.

9. Investments

Investments are shown at original value and are invested per approved list of financial institutions issued by the Provincial Administration, Community Development Branch.

Investments were made according to the stipulations of the Second Amendment on the Local Government Transition Act, Act 97 of 1996.

10. Income recognition

10.1 *Electricity and water billings*
All meters are read and billed monthly. Where meters cannot be read during a particular month, they are provisionally billed with the necessary adjustments made in the month they are indeed read.

10.2 *Assessment rates*
Kamiesberg Municipality applies a differential rating system. In terms of this system assessment rate are levied on land and building value of property. Certain rebates are granted according to the use to which a particular property is put.

10.3 Licenses
Income is accrued as and when received.

11. Consolidated Loan Fund

The capital resources of the Consolidated Loans Fun consist of both external and internal loans. Advances are made to borrowings departments at an interest rate equal to the average effective rate of interest or another interest as determined by the Department of Local Government and Housing and is repaid over the useful life of the assets acquired.

12. Provision for Bad Debts

12.1 It is the policy of this Council that as long as a debtor had not absconded, the debt is assumed to be recoverable. The mere fact that a debtor does not pay for municipal services , for what ever reason, does not mean a bad debt exist and all debts are assumed to be recoverable.

12.2 The Financial manager has formally laid down procedures that are followed in an attempt to recover debts and it is only when a debt is proven to be unrecoverable that it is written off and consequently forms a charge against the operating account.

KAMIESBERG MUNICIPALITY
BALANCE SHEET AT 30 JUNE 2006

	Notes	2006 R	2005 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES		1,808,044	1,793,367
Statutory funds	1	1,808,044	1,793,367
Reserves		-	-
RETAINED SURPLUS/ (ACCUMULATED DEFICIT)		(1,330,354)	153
		477,690	1,793,520
TRUST FUNDS	2	572,925	294,784
LONG-TERM LIABILITIES	3	1,532,451	1,599,674
CONSUMER DEPOSITS: SERVICES	4	33,120	33,310
		2,616,186	**3,721,288**
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	5	2,536,900	2,688,362
INVESTMENTS	6	164,288	150,875
		2,701,188	2,839,237
NET CURRENT ASSETS / LIABILITIES		**(85,003)**	**882,049**
CURRENT ASSETS		7,053,638	5,078,795
Debtors	7	7,053,638	5,078,795
Cash in bank and on hand		-	-
CURRENT LIABILITIES		(7,138,641)	(4,196,746)
Provisions		292,901	292,901
Creditors	8	6,608,521	3,216,737
Loans: short-term portion of long-term liabilities	3	132,047	132,047
Bank Overdraft		105,172	555,061
		2,616,186	**3,721,288**

p.12
0276528001
Errol Myburg
15 Mar 07 12:10
15-MAR-2007 11:50 From: 0276528001 Page:012 R=96%
ID:DEPT HOUSING

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

2004/05 Actual income R	2004/05 Actual expenditure R	2004/05 Surplus/ (deficit) R		2005/06 Actual income	2005/06 Actual Expenditure	2005/06 Surplus/ (deficit)
7 590 590	7 617 006	(26 416)	**RATE AND GENERAL SERVICES**	7 397 257	6 725 969	671 288
6 778 916	5 981 300	797 616	Community services	6 128 535	5 205 517	923 018
1 338	116 151	(114 813)	Subsidised services	3 088	74 103	(71 015)
810 336	1 519 555	(709 219)	Economic services	1 265 634	1 446 349	(180 715)
	472	(472)	**HOUSING SERVICES**			
3 667 845	3 507 060	160 785	**TRADING SERVICES**	3 240 559	4 639 041	(1 398 482)
11 258 435	11 124 538	133 897	**TOTAL**	10 637 816	11 365 010	(727 194)
		(1437 702)	Appropriations for the year (Refer to note 18)			(603 312)
		(1303 805)	**Net surplus / (deficit) for the year**			**(1 330 506)**
		1 303 958	Accumulated surplus / (Accumulated deficit) beginning of the year			152
		153	**ACCUMULATED SURPLUS (ACCUMULATED DEFICIT) AT END OF THE YEAR**			(1 330 354)

(Refer to appendix D and E for more detail)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 R	2005 R
CASH RETAINED FROM OPERATING ACTIVITIES		614 954	(177 742)
Cash generated by operations	14	(1174 181)	(3874 687)
Investment income			
(Increase) / decrease in working capital	15	1 403 528	3 211 271
		229 347	(663 416)
Less: External interest paid	13	(298 749)	(280 625)
Cash available from operations		(69 402)	(944 041)
Cash contributions from the public and State		684 356	766 299
CASH UTILISED IN INVESTING ACTIVITIES		(190)	
Investment in fixed Assets			
Increase / (decrease) in Consumer deposits		(190)	
(Increase) / decrease in LT Debtors			
NET CASH FLOW		614 764	(177 742)
CASH EFFECTS OF FINANCIAL ACTIVITIES			
Increase / (decrease) in long-term loans	16	(151 462)	(71 323)
(Increase) / decrease in cash investments	17	(13 413)	267 475
(Increase) / decrease in cash	18	(449 889)	(18 410)
NET CASH (GENERATED) / UTILISED		(614 764)	177 742

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006

	2006 R	2005 R
1 STATUTORY FUNDS		
Revolving Fund	1,808,044	1,793,367
	1,808,044	1,793,367
(Refer to appendix A for more detail)		
2. TRUST FUNDS		
Idp		30,000
Kheis Creche	20,826	20,826
Garies/Kheis Pipeline	81,573	85,676
EPWP Project	215,932	129,670
Diamond Fund Trust Projects	254,594	28,612
	572,925	294,784
(Refer to appendix A for more detail)		
3. LONG TERM LIABILITIES		
External loans	1 532 451	1 731 721
Local registered stock		
Annuity loans		
Short-term loans		
	1 532 451	1 731 721
Less: Current portion transferred to current liabilities		132 047
	1 532 451	1 599 674

(Refer to appendix B for more detail.)

The loan bears interest of 12% and is repayable over a period of 20 years.

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 **(Continued)**

	2006 R	2005 R
4. CONSUMERS DEPOSITS - SERVICES		
Electricity and water	33 120	33 310

No guarantees in lieu of electricity and water deposits were kept

5. FIXED ASSETS

Fixed assets at the beginning of the year	20 626 904	20 626 904
Capital expenditure during the year		
Less: Assets written off, transferred or disposed during the year		
Total fixed assets	20 626 904	20 626 904
Less: Loans redeemed and other capital receipts	(18090 004)	(17938 542)
Net fixed assets	2,536,900	2,688,362

(Refer to appendix C and section 2 of the Treasurer's report for more detail on the fixed assets)

6 INVESTMENTS

Listed		
None		
Unlisted		
Long-term deposits		
Co-op paid up shares		
Short-term deposits	164 288	150 875
TOTAL INVESTMENTS	164 288	150 875

Marked value of listed investments, and management's valuation of unlisted investments

Listed investments	n/a	n/a
Unlisted investments	164 288	150 875

Investment were made according to the stipulations of the Second Amendment on the Local Government Transition Act, Act 97 of 1996, Section 9.

No investments have been written off during the year

No investments have been pledged as security for any funding facilities of the council.

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 **(Continued)**

	2006 R	2005 R
7 DEBTORS		
Current debtors (consumers & others)	8,282,310	6,081,722
Assessment rates	1,693,089	1,663,628
Other services	6,589,221	4,418,094
Advance: Sub economic housing		
Other	297,328	523,073
Sundry	37,450	37,450
Loan to Sect 21 (Mineral Water project)	-	-
Receiver (Vat)	249,574	337,194
Geld verliese	10,304	-
Boerevereniging	-	7,000
Debiteur : NSDA	-	141,429
	8,579,638	6,604,795
Less: provision for bad debts	(1,526,000)	(1,526,000)
	7,053,638	5,078,795

No amount were written off as bad debt during this year.

8 CREDITORS		
Creditors - Trading & other	6 608 521	3 216 737
Sundry	43 995	43 995
Suspense	3 709 313	2 010 300
Prov for leave pay	-	-
Prov for audit fee	40 000	40 000
Receiver (Vat)	665 782	430 532
Salaries	1 585 132	691 910
NSDA	564,299.00	-
	6 608 521	3 216 737

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 (Continued)

9. ASSESSMENT RATES

	Site Valuations as at 2005/06 R'000	Improvement valuation during 2005/06 R'000	Actual income 2006 R	Actual income 2005 R
			1 345 876	1 225 989
			1 345 876	**1 225 989**

Valuations are performed every five years but the last general valuation come into effect on 1 October 1988.
The basic rates were as follows:

	Site	Site
Tariff	0.02	0.02

Building clauses were charge according to the use of the Erven.

10. REMUNERATION

COUNCILLORS	2006 R	2005 R
Mayor's Allowance	173 524	123 830
Councilors allowance	321 719	158 954
(Councillor's remuneration are within the upper limits as prescribed.)		
MANAGAMENT		
Municipal Manager	365 306	168 944
Financial Manager	135 617	94 523
Technical Manager	282 744	247 818
Manager Economic Development	262 452	235 206

11. AUDITORS REMUNERATION

Audit fees	40 000	40 000

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 **(Continued)**

	2006 R	2005 R
12. FINANCIAL TRANSACTIONS		
Total external interest earned or paid		
Interest earned		
Interest paid	298 749	280 625
	298 749	280 625
Capital charges debited to operating account		
Interest Paid :External	298 749	280 625
:Internal	-	-
Redemption :External	151 462	71 323
:Internal	-	-
Deferred cost written off	-	-
	450 211	351 948
APPROPRIATIONS		
Appropriation account		
Accumulated surplus / deficit at the beginning of the year	152	1 303 958
Accumulated surplus / (deficit) for the year	(727 194)	133 897
Appropriations for the year	(603 312)	(1437 702)
Prior year adjustments	(603 312)	(1437 702)
Accumulated surplus / (deficit) at the end of the year	(1330 354)	152

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 (Continued)

		2006 R	2005 R
13.	**CASH GENERATED BY OPERATIONS**		
	Surplus / (deficit) for the year	(727 194)	133 897
	Adjustments in respect of the previous year's operating transactions	(603 312)	(1 437 702)
	Appropriations debited to income	-	
	- Capital expenditure	-	-
	-Capital Development fund/Revolving fund	-	-
	Capital charges	450 211	351 948
	Interest paid :		
	- to internal funds	-	-
	- to external loans	298 749	280 625
	Redemption :		
	- From internal funds	-	-
	- From external loans	151 462	71 323
	Grants and subsidies received from State		
	Non-operating income		
	- Sale of Erven	14 677	7,000
	- Net other income		
	Non-operating expenditure		
	- Expenditure charge against Funds, Provisions and Reserves	(298 259)	(2 929 830)
		(1 163 877)	(3 874 687)
14.	**(INCREASE) / DECREASE IN WORKING CAPITAL**		
	(Increase) / decrease in ST investments	(13 413)	267 475
	(Increase) / decrease in debtors	(1 974 843)	2 330 221
	Increase / (decrease) in creditors	3 391 784	613 575
		1 403 528	3 211 271
15.	**INCREASE / (DECREASE) IN LONG-TERM LOANS (EXTERNAL)**		
	Loans raised	-	-
	Loans repaid	(151 462)	(71 323)
		(151 462)	(71 323)

KAMIESBERG MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 **(Continued)**

	2006 R	2005 R
16. (INCREASE) / DECREASE IN EXTERNAL CASH INVESTMENT		
Investments realised		
Investments made	(13 413)	(267 475)
	(13 413)	(267 475)
17. (INCREASE) / DECREASE IN CASH ON HAND		
Cash balance at the beginning of the year	(555 061)	(573 471)
Less : Cash balance at the end of the year	(105 172)	(555 061)
	(449 889)	(18 410)

18. RETIREMENT BENEFITS

The retirement benefit plan is subject to the Pension Fund Act, with pensions being calculated on the final pensionable remuneration paid.

19. REVOLVING FUND

External loans (see appendix B)	1 532 451	1 731 721
Internal investments (surplus funds)	82 659	82 659
Creditors	6 608 521	3 216 737
	8 223 631	5 031 117
Less:	7 207 622	5 229 670
Deferred charges	-	-
External investments	164 288	150 875
Debtors	7,043,334	5 078 795
Temporary advances	-	-
	1 016 009	(198 553)
(Refer to appendix B for more detail)	1 016 009	(198 553)

APPENDIX A

ACCUMULATED FUNDS, TRUST FUNDS, RESERVES AND PROVISIONS

FOR THE YEAR ENDED 30 JUNE 2006

	Balance at 30/06/05 R	Contributions during the year R	Interest on Investments R	Other Income R	Written off / Expenditure during the year R	Balance at 30/06/06 R
ACCUMULATED FUNDS						
Revolving Fund	1 793 367	-	-	14 677	-	1 808 044
	1 793 367	-	-	14 677	-	1 808 044
TRUST FUNDS						
Idp trustfund	30 000	-	-	-	30 000	-
Kheis Creche	20 826	-	-	-	-	20 826
Garies/Kheis Pipeline	85 676	-	-	-	4 103	81,573
EPWP Project	129,670	-	-	356 400	270 138	215 932
Diamond Fund Trust Projects	28,612	-	-	250 000	24 018	254 594
MSIG	-	-	-	734 000	734 000	-
FMG	-	-	-	250 000	250 000	-
	294 784	-	-	1 590 400	1 312 259	572 925
PROVISIONS						
Leave accruals	292 901	-	-	-	-	292 901
Interviews						
Land						
Leasehold						
	292 901	-	-	-	-	292 901
	2 381 052			1 605 077	1 312 259	2 673 870

(Refer to notes 1,2 and 3)

APPENDIX B
EXTERNAL LOANS AND INTERNAL ADVANCES
FOR THE YEAR ENDED 30 JUNE 2006

EXTERNAL LOANS							
Detail/Aim	Approved	Redeemable	Balance at 30/06/05 R	Received during the year R	Redeemed or written off during the year R	Interest charged during the year R	Balance at 30/06/06 R
Development Bank	05/95	30/09/2015	1 731 721	-	199 270	-	1 532 451
(Refer to note 4)			1 731 721	-	199 270	-	1 532 451

INTERNAL ADVANCES TO BORROWING SERVICE					
	Balance at 30/06/05 R	Received during the year R	Redeemed or Written of during the year R	Interest charged during the year	Balance at 30/06/06 R
Revolving Fund	82 659	-	-	-	82 659
(Refer to note 27, 28 & 29)	82 659	-	-	-	82 659

APPENDIX C
ANALYSIS OF FIXED ASSETS
FOR THE YEAR ENDED 30 JUNE 2006

Expenditure 2005 R	Service	Balance at 30/06/06 R	Expenditure 2006 R	Written of transferred redeemed or disposed of during the year R	Balance at 30/06/06 R
	RATES AND GENERAL SERVICE	**16 754 482**			**16 754 482**
	Community service	**8 788 818**			**8 788 818**
	Land and buildings	668			668
	Graveyard	65 108			65 108
	Caravanpark/Commonage	5 448 214			5 448 214
	Land and buildings	353 951			353 951
	Office furniture	4 000			4 000
	Sport Facilities	905 204			905 204
	Vehicles and implements	21 843			21 843
	Kraglyn	608 542			608 542
	Housing project	1 147 178			1 147 178
	Ex K.kroon Gemeenskapsdiens	3 365			3 365
	Mayor Donations	230 745			230 745
	Computers & printers				
	Subsidised service	**28 853**			**28 853**
	Ambulance	18 746			18 746
	Civil defence	784			784
	Library	9 323			9 323
	Economic service	**7 936 811**			**7 936 811**
	Sanitation and sewerage	6 200 183			6 200 183
	Ex Kamieskroon Ekonomiese	1 736 628			1 736 628
	HOUSING SERVICE	**1 444 776**			**1 444 776**
	Economic housing	1 252 262			1 252 262
	Individual Housing	16 739			16 739
	Sub-econ housing	175 775			175 775
	TRADING SERVICE	**2 427 646**			**2 427 646**
	Electricity	1 391 001			1 391 001
	Water	1 036 645			1 036 645
	TOTAL FIXED ASSETS	**20 626 904**			**20 626 904**
	LESS : CAPITAL REDEEMED AND OTHER CAPITAL RECEIPTS	**17 938 542**	**151 462**		**18 090 004**
	Loans redeemed and advances paid	6 917 450	151 462		7 068 912
	Contributions ex operating income	732 367			732 367
	Donations and subsidies	10 288 725			10 288 725
	NET FIXED ASSETS	**2 688 362**	**(151 462)**		**2 536 900**

APPENDIX D
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2006

Actual 2005 R		Actual 2006 R	Budget 2006 R
	INCOME		
3 922 948	GRANTS AND SUBSIDIES	**3 183 531**	**4 956 722**
3 922 948	- Central Government	3 183 531	4 956 722
	- Provincial Government		
7 335 487	OPERATING INCOME	**7 454 285**	**6 567 790**
1 225 989	- Assessment rates	1 345 876	1 053 967
1 327 717	- Sale of electricity	1 902 516	1 568 066
2 340 128	- Sale of water	1 338 043	2 018 406
2 441 653	- Other service charges	2 867 850	1 927 351
11 258 435		10 637 816	11 524 512
	EXPENDITURE		
4 591 323	Salaries, wages and allowances	4 525 214	5 581 214
4 470 244	General expense	5 434 309	3 750 911
1 608 756	- Purchase of electricity	2 047 437	1 536 000
230 303	- Purchase of water	146 847	210 000
2 631 185	- Other general expenses	3 240 025	2 004 911
1 612 483	Repairs and maintenance	1 034 308	1 509 200
280 625	Capital charges	371 179	265 118
	Contributions to fixed assets		
169 864	Contributions to funds		282 551
11 124 538	**Gross expenditure**	11 365 010	11 388 994
	Less : Amounts charge out		
11 124 538	**Net expenditure**	11 365 010	11 388 994

APPENDIX E
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

2005 Actual income R	2005 Actual expenditure R	2005 Surplus (deficit) R		2006 Actual income R	2006 Actual expenditure R	2006 Surplus (Deficit) R
			RATES AND GENERAL			
7 590 590	**7 617 007**	**(26 417)**	**SERVICES**	**7 397 257**	**6 725 969**	**671 288**
6 778 916	**5 981 301**	**797 615**	**Community services**	**6 128 535**	**5 205 517**	**1 196 544**
585 679	399 459	186 220	Traffic and licence	861 931	1 008 952	(147 021)
15 311	3 782	11 529	Caravan park/Sportgrounds	28 559	4 536	24 023
1 294	847 873	(846 579)	Public works / Workshop	560	3 568	(3 008)
4 920 561	3 021 804	1 898 757	Administration & treasury	3 852 886	3 476 995	375 891
	526 481	(526 481)	General council expenditure		406 245	(406 245)
1 225 989	447 152	778 837	Assessment rates	1 345 876		1 345 876
	648 742	(648 742)	Tourism		304 455	(304 455)
30 082	81 659	(51 577)	Property and land	38 723	376	38 347
	4 349	(4 349)	Environment and health		390	(390)
1 338	**116 151**	**(114 813)**	**Subsidized services**	**3 088**	**74 103**	**(71 015)**
			Ambulance service			
			Civil defense			
789	5 988	(5 198)	Grave yard	2 217	10 826	(8 609)
549	110 163	(109 615)	Library	871	63 277	(62 406)
810 336	**1 519 555**	**(709 219)**	**Economic service**	**1 265 634**	**1 446 349**	**(180 715)**
810 336	1 519 555	(709 219)	Sanitation & sewerage	1 265 634	1 446 349	(180 715)
	472	**(472)**	**HOUSING SERVICE**			
	472	(472)	Housing			
3 667 845	**3 507 060**	**160 785**	**TRADING SERVICE**	**3 240 559**	**4 639 041**	**(1398 482)**
1 327 717	1 802 877	(475 160)	Electricity	1 902 516	2 312 231	(409 715)
2 340 128	1 704 183	635 945	Water	1 338 043	2 326 810	(988 767)
11 258 435	**11 124 538**	**133 897**	**TOTAL**	**10 637 816**	**11 365 010**	**(727 194)**
			Appropriations for this year			
		(1437 702)	(Refer to note 18)			(603 312)
		(1303 805)	**Net surplus / (deficit) for the year**			**(1 330 506)**
		1 303 957	Accumulated surplus / (deficit) beginning of the year			152
		152	**ACCUMULATED SURPLUS / (DEFICIT) END OF THE YEAR**			**(1 330 354)**